

BRI Opening Remarks 5.16.2024

Good morning, thank you for being here. This is my first hearing as Chairman of the Select Committee on the CCP and I am grateful to be here with my colleagues on both sides of the aisle, especially Ranking Member Krishnamoorthi.

When the United States invests abroad, we share our democratic values, the rule of law, and respect for human rights. We seek to lift those who work with us, protect the local environment, bolster local institutions, and work to create lasting, positive partnerships between nations.

The Chinese Communist Party does not think like us. When it invests abroad, it does so in the name of control. It exports authoritarianism and exploits people and natural resources in service of its own mercantilist interests.

The CCP's Belt and Road Initiative, the subject of today's hearing, is officially a program where Beijing invests in critical resources, transportation, and digital infrastructure in lower and middle-income countries.

In reality, BRI has only one purpose: to expand the CCP's influence and control around the world. The CCP uses investment dollars to entrap unassuming countries in debt, gain territorial control and influence, expand the reach of its surveillance state, and dominate critical supply chains. For the CCP, development finance is a weapon to undercut U.S. influence, challenge U.S. interests, and bring countries around the world under its authoritarian thumb.

Any suggestion that the BRI is about altruistic investment is a lie. The Chinese Communist Party is not interested in building infrastructure to be a friendly neighbor or even to make a profit. It wants strategic control, and it wants it at the expense of the United States and liberal values.

Through the BRI:

Heavily subsidized Chinese companies purchase and develop mines to secure Beijing's control of critical global supply chains.

Chinese firms get cheap credit to construct strategically located ports, giving Beijing the power to restrict U.S. access, collect valuable intelligence, and exploit the ports for economic and security gains.

The CCP builds telecommunications networks with built-in surveillance and cybersecurity risks to advance its ultimate goal of technology-enabled authoritarianism.

And the list goes on.

Economic viability does not matter. Beijing readily loses billions building shoddy infrastructure and constructing CCP-controlled 5G networks at less than half the price of Western alternatives – all for the promise of influence. U.S. alternatives cannot compete on those terms.

The CCP's campaign of control entraps developing countries. Poor infrastructure construction leads to dangerous safety conditions on roads and in mines. Chinese workers are imported to displace local workers. And the CCP makes no pretense of respecting the environment, squandering the natural resources of the host country. Corruption increases, human rights are ignored, institutions are weakened, and democratic backsliding is almost guaranteed.

We need to confront the CCP's Belt and Road Initiative head-on.

Nations are desperate for an alternative to the CCP's poorly built roads, corrupt digital infrastructure, and crooked loans. However, if the CCP shows up, then it is hard to turn it away. The United States needs to step up and take action.

That means reforming our development arsenal and finding creative ways to collaborate with like-minded allies. This includes enhancing the ability of the Development Finance Corporation to work with a larger variety of partners around the world.

There is also an urgent need to reform and revitalize the Export-Import Bank as an arm of American strategic investment. I look forward to hearing David Trulio's recommendations for how we can do just that.

We also need to provide support to governments most at risk from CCP influence and to reinforce international institutions against Beijing's grip. Dan Runde, has been outspoken on the role our aid agencies played in all but eliminating the AIDS pandemic from Africa and expanding Internet access. I look forward to hearing his ideas on how we can build on this record of success.

I also look forward to hearing from Dr. Brad Parks about ways we can utilize aid to support our interests and prevent partners in the developing world from signing up for more than they bargained for.

We have a lot to cover today, so I now yield to the ranking member.